
MINUTES OF THE PROCEEDINGS
REGULAR MEETING
OF THE
RETIREMENT BOARD OF THE
POLICEMEN'S ANNUITY AND BENEFIT FUND OF CHICAGO
HELD
THURSDAY – APRIL 25, 2019

The regular meeting of the Retirement Board of the Policemen's Annuity and Benefit Fund of Chicago (the "Fund") was held 9:00 a.m. March 28, 2019 at the office of the Fund, 221 North LaSalle Street, Suite 1626, Chicago, Illinois for the consideration of applications and bills, and for other such matters that came before the Board. The contents of this meeting were transcribed by Esquire Deposition Solution LLC Court Reporters and are made a part of the record.

PRESENT: Trustees Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

ABSENT: Brown, Summers 2.

PRESIDING: President Beyna

OTHERS PRESENT:

Mr. Kenneth Kaczmarz, Interim Executive Director, Ms. Caroline Vullmahn, Comptroller,

Mr. David Kugler, Board Counsel, Mr. Justin Kugler, Legal Counsel, and Staff Members Mr. Robert Crawford, Ms. Angela Curtis, Ms. Kay Hylton, Ms. Adrienne Kiertyan, Ms. Quiana Knapp, and Ms. Jackie Robinson. Mr. Philip Tencick from the Spokane Washington Retirement System.

PUBLIC IN ATTENDANCE:

Ms. Rosemarie Giambalvo, Mr. Paul Tasch and Mr. Gary Oprondek, Annuitants, Mr. Carlos Saladino, FOP Representative.

President Beyna called the meeting to order and recognized Annuitant member Rosemarie Giambalvo who had expressed interest in addressing the Board. Direction was given that the public comment section is for members to express their concerns and views. It is not a question and answer session.

Ms. Giambalvo directed her comments concerning Section 5-211 of the Pension Code concerning the Board's hiring of an additional attorney. Her further comments addressed the City's responsibility for the payment of costs associated with Disability benefits and the rational concerning the Board's expenditures for members already in receipt of disability benefits.

President Beyna informed Ms. Giambalvo that the Board would take her questions under advisement.

President Beyna then acknowledged Annuitant member Paul Tasch who had also previously expressed interest in addressing the Board. Mr. Tasch's comments centered on the Funding level of the Fund and recent legislative changes; an apparent lack of interest in Board matters by the Fund's active members and his opinion that the Fund provide additional information about the Fund's affairs to all members on a more frequent basis. Mr. Tasch also requested that the Fund provide additional Investment return information, on a manager by manager basis, on its website.

Finally, President Beyna also acknowledged Annuitant member Gary Oprondek who was the third member present that had previously expressed interest in addressing the Board. Mr. Oprondek reiterated the comments made by Ms. Giambalvo. President Beyna informed Mr. Oprondek that his questions would be taken under advisement.

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The first order of business was the review of the Minutes of the Regular Board meeting held March 28, 2019.

It was moved by Trustee Hamburger, seconded by Trustee Wodnicki that the Board approve the Minutes of March 28, 2019, as submitted.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

The next order of business was review of the Minutes of the Investment Committee meeting held April 22, 2019.

It was moved by Trustee Lappe, seconded by Trustee Hamburger that the Board approve the Minutes of the Investment Committee meeting held April 22, 2019, as submitted.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, 5.

Absent: Brown, Summers 2.

Against: 0.

Abstain: Wright 1.

The next order of business was the review and adoption of Board order(s) as submitted by the Board's counsel.

In the matter of **Yvette Jones**, "The Board finds that Jones' medical condition is not now disabling as disability is defined in the Act. Payment of Jones' duty disability benefits will therefore cease on April 30, 2019 and Jones is directed to return to the CPD for assignment."

It was moved by Trustee Hamburger, seconded by Trustee Wright that the Board approve the order on Yvette Jones, as submitted.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

In the matter of **Catherine Skol**,

It was moved by Trustee Lappe, seconded by Trustee Wodnicki to issue a correction order specifically for the limited purpose of correcting the Scribner's error in noting that the end date may be adjusted to reflect her actual date of reinstatement.

ROLL CALL

For: Beyna, Fields, Lappe, Wodnicki, Wright 5.

Absent: Brown, Summers 2.

Against: Hamburger 1.

The President turned the meeting over to the Recording Secretary. Review of the docket was as follows:

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PAGE NO. REFERENCE

1 - 5 Incurred Expenses for the Month of March 2019.

It was moved by Trustee Lappe, seconded by Trustee Wright that the Board approve the Obligations as detailed on pages 1 through 5.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

6 - 8 Refunds of Contributions; Withdrawal of Service and Widow's Annuity Accumulations.

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the Refunds as detailed on pages 6 through 8.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

9 - 11 Payment to Heirs of Deceased Annuitants

It was moved by Trustee Hamburger, seconded by Trustee Beyna that the Board approve payments to heirs of deceased annuitants as detailed on pages 9 through 11.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

12 - 14 Annuities [Summary pg. 15]

It was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the new Annuities as detailed on pages 12 through 14.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

16 - 17 Annuities to Widows [Summary pg. 18]

It was moved by Trustee Hamburger, seconded by Trustee Fields that the Board approve the Annuities to Widows as detailed on pages 16 and 17.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

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PAGE NO. REFERENCE

19 Annuities to Children

It was moved by Trustee Fields, seconded by Trustee Hamburger that the Board approve the annuities to children as detailed on page 19.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

20 Ordinary and Duty Disability Claims

a) Cassidy, Bryan W.

Based upon the medical reports, it was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board defer to a full evidentiary hearing.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

b.) Sadowski, Jr., Daniel

A motion was then made by Trustee Hamburger, seconded by Beyna to grant the officer, subject to full evidentiary hearing an ordinary disability benefit without prejudice with the understanding that the Board reserves the right prior to such hearing to revisit and terminate that benefit if it is deemed warranted.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

21-25 Payment of Death Benefits [Summary pg. 26]

It was moved by Trustee Beyna, seconded by Trustee Hamburger that the Board approve the applications for death benefits as listed on pages 21 through 23.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

27 REQUESTS FOR PENSION CREDIT FOR MILITARY SERVICE LEAVE OF ABSENCE UNDER USERRA and 5-212.

Documentation verified, it was moved by Trustee Beyna, seconded by Trustee Hamburger that the Board approve the request to purchase prior military service under 5/212 as detailed on page 27.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.
Against: 0.

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PAGE NO. REFERENCE
28 GUARDIANSHIP APPOINTMENT

Gene A. Anderson

Documentation verified, it was moved by Trustee Hamburger, seconded by Trustee Beyna that the Board acknowledge the guardianship appointment as detailed on page 28.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.
Absent: Brown, Summers 2.
Against: 0.

29 GUARDIANSHIP APPOINTMENT
John W. Rotchford

Documentation verified, it was moved by Trustee Hamburger, seconded by Trustee Fields that the Board acknowledge the guardianship appointment as detailed on page 29.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.
Absent: Brown, Summers 2.
Against: 0.

30 REQUESTS FOR PRIOR SERVICE UNDER 40 ILCS 5/5-21(c)

Documentation verified, it was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the request to purchase prior Cook County Service under 5/214 (Rosario Cases) as detailed on page 30.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.
Absent: Brown, Summers 2.
Against: 0.

31 REQUESTS TO PENSION ADDITIONAL CREDIT FOR PRIOR MILITARY SERVICE UNDER 5-214.3

Documentation verified, it was moved by Trustee Hamburger, seconded by Trustee Lappe that the Board approve the request to purchase prior military service under 5/214.3 as detailed on page 31.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.
Absent: Brown, Summers 2.
Against: 0.

32 REQUESTS TO PURCHASE PENSION CREDIT FOR LEAVE OF ABSENCE UNDER 5-214

Andrew Senner

Documentation verified, it was moved by Trustee Lappe, seconded by Trustee Beyna that the Board approve the request to purchase leave of absence service as detailed on page 32.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

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PAGE NO. REFERENCE

Prior to the commencement of scheduled hearings, a motion was made by Trustee Hamburger, seconded by Trustee Wright to go into executive session under 2 (c)(11).

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

At the conclusion of the executive session, a motion was made by Trustee Wright, seconded by Trustee Hamburger to come out of executive session

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

Another motion to enter into executive session was made by Trustee Hamburger, seconded by Trustee Wright to go into executive session under 2 (c)(1) and (11) to confer with a physician consultant.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

At the conclusion of the executive session, a motion was made by Trustee Hamburger, seconded by Trustee Wright to come out of executive session

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

33 REVIEW OF DISABILITY AWARD

Murillo, Veronica

Officer Veronica Murillo appeared, with counsel, Ralph Licari, before the Board for a review of the amount of her disability award as it pertains to the inclusion of duty availability pay. After hearing from Officer Murillo's counsel along with the submission and evaluation of additional documentation pertaining to the matter *it was moved by Trustee Wright, seconded by Trustee Lappe to increase Officer Murillo's Duty Disability award by \$223.75 per month based on 75% of an annual Salary of \$93,604 which equates to \$5,850.25 per month, retroactive to November 8, 2017.*

ROLL CALL

For: Beyna, Lappe, Wodnicki, Wright 4.
Absent: Brown, Summers 2.
Against: Hamburger 1.
Abstain: Fields 1.

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PAGE NO. **REFERENCE**

34 MISCELLANEOUS

REQUEST FOR PENSION CREDIT FOR LEAVE OF ABSENCE UNDER 5-214
Gadlen, Delwin

Officer Delwin Gadlen appeared before the Board, without counsel, on his request to purchase pension credit for leave of absence service. After hearing testimony from Officer Gadlen, it was moved by Trustee Wright, seconded by Trustee Lappe that the Board approve the request to purchase pension credit for leave of absence service as detailed on page 34 and associated documentation.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.
Absent: Brown, Summers 2.
Against: 0.

36 MISCELLANEOUS

REQUEST FOR PENSION CREDIT FOR LEAVE OF ABSENCE UNDER 5-214
Yanney, Kristy O.

Officer Kristy Yanney appeared before the Board, without counsel, on her request to purchase pension credit for prior service. After hearing testimony from Officer Yanney, it was moved by Trustee Lappe, seconded by Trustee Wright, that the Board approve the request to purchase pension credit for prior service as detailed on page 36 and associated documentation.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.
Absent: Brown, Summers 2.
Against: 0.

Prior to the commencement of scheduled hearings, a motion was made by Trustee Wright, seconded by Trustee Hamburger to go into executive session under 2 (c)(11) to discuss Agenda Item #8

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.
Absent: Brown, Summers 2.
Against: 0.

At the conclusion of the executive session, a motion was made by Trustee Hamburger, seconded by Trustee Wright to come out of executive session

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.
Absent: Brown, Summers 2.
Against: 0.

Out of Executive Session, a motion was made by Trustee Wright, seconded by Trustee Lappe to approve an FCE for Officer Mellow niece Harrington.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

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A motion was then made by Trustee Wright, seconded by Trustee Hamburger to approve a neurocognitive evaluation for Officer Vasilios Kafalas.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

A motion was then made by Trustee Wright, seconded by Trustee Hamburger to approve an FCE for Officer Donna Lewis.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

39 MISCELLANEOUS

REQUEST FOR PENSION CREDIT FOR LEAVE OF ABSENCE UNDER 5-214

Grisby, Timothy

Officer Timothy Grisby appeared before the Board, without counsel, on his request to purchase pension credit for prior service. After hearing testimony from Officer Grisby, it was moved by Trustee Wright, seconded by Trustee Lappe that the Board approve the request to purchase prior service as detailed on page 39 and associated documentation.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

42 MISCELLANEOUS

REQUEST FOR PENSION CREDIT FOR LEAVE OF ABSENCE UNDER 5-214

DiFranco, Marco

Officer Marco DiFranco appeared before the Board, without counsel, on his request to purchase pension credit for prior service. After hearing testimony from Officer DiFranco, it was moved by Trustee Hamburger, seconded by Trustee Wodnicki that the Board deny the request to purchase prior service as detailed on page 42 and associated documentation.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

Interim Executive Director presented several items as part of his monthly report including a request to amend the Fund's expenditures budget to allow the purchase of 5 additional workstation computers that will replace existing computers that are 9 and 10 years old. This will alleviate the requirement to upgrade any of these older models to Windows 10. The incremental budget amendment for the purchase versus upgrade is approximately \$3,000.

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A motion was made by Trustee Lappe, seconded by Trustee Wodnicki to approve the budget amendment and the purchase of the six additional computers.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

Mr. Kaczmarz requested the authorization to enter into a contract with Reebie data storage for the inventory and storage of the Fund records and materials currently kept in 7 separate self-storage lockers at Reebie Self Storage facility on Clark and Fullerton since about 1960. It is estimated that the cost of the new storage facility will be about \$200 per month versus the exiting cost of approximately \$1,000. per month.

A motion was made by Trustee Wright, seconded by Trustee Wodnicki to approve a contract for the new Storage solution.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

Fund Comptroller, Caroline Vullmahn requested the Board approve the transfer of \$500 to the Richard J. Jones Account for the issuance of a \$500. Gift check for an eligible widow who was inadvertently omitted from last year's gift check run.

A motion was made by Trustee Hamburger, seconded by Trustee Wright to approve the requested transfer of \$500. For the issuance of a Gift Check.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.

Mr. Kaczmarz then requested a motion to approve an expenditure of approx. \$720 for the secure destruction of 80 cartons of old records that have been approved for destruction by the Local Records Commission of Cook County.

4 Fund employees have verified the cartons of records against the listing approved by the Commission. Two separate bids were received.

A motion was made by Trustee Lappe, seconded by Trustee Wright to approve the expenditure related to the secure destruction of the approved records.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.
Absent: Brown, Summers 2.
Against: 0.

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Mr. Kaczmarz advised the Board that a retired Fund Participant has contacted the Fund to determine if the Fund could accommodate his wishes to transfer a certain amount of his personal assets to the Fund to be used for the express purpose of assisting the Families of Members killed in the line of duty. The Gentleman indicated his desire to have several conditions and covenants accompany his gift. After discussion the Board directed Mr. Kaczmarz to contact the Chicago Police Memorial Foundation to determine if they could accommodate the member.

A motion was then made by Trustee Hamburger, seconded by Trustee Wright to approve the purchase of a table at the Chicago Police Recognition Ceremony for 2019.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.
Absent: Brown, Summers 2.
Against: 0.

A motion was then made by Trustee Hamburger, seconded by Trustee Wright to allow Trustees to attend an NCPERS conference in Peoria Illinois and to allow Trustee Beyna to attend a client conference hosted by Fund Investment Consultant NEPC in Boston MA.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.
Absent: Brown, Summers 2.
Against: 0.

Mr. Kaczmarz requested that the Board allow him to hire several part time summer students to assist in the Fund office. Individuals would be subject to background checks. The cost of temp agency part timers has proven to be prohibitive.

A motion was made by Wodnicki, seconded by Wright to allow the director to utilize the resources in the more effective and useful manner.

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.
Absent: Brown, Summers 2.
Against: 0.

It was acknowledged and approved within the 2019 operating budget that Fund Employee Justin Kugler shall attend the National Association of Public Pension Fund Attorneys conference to be held in June.

Mr. Kugler advised that a monthly legal status report had been distributed to Trustees for their information.

All business concluded, *it was moved by Trustee Wright, seconded by Trustee Lappe that this meeting be adjourned.*

ROLL CALL

For: Beyna, Fields, Hamburger, Lappe, Wodnicki, Wright 6.

Absent: Brown, Summers 2.

Against: 0.